Bankruptcy Act

which the insolvent debtor was engaged, and therefore these duties could be carried out as properly and efficiently by an officer of the court.

Mr. GUTHRIE: I am always ready to give the greatest consideration to any suggestion that emanates from my hon. friend from Richelieu.

Mr. CARDIN: I appreciate that and I thank the minister for the compliment.

Mr. GUTHRIE: I must say, however, that my own view is that the proposal to appoint clerks and registrars of the courts is not as sound as it might appear to be. My experience in my own province of the registrars and clerks of the various courts would lead me to the conclusion that they are about the least proper officials to appoint as trustees in bankruptcy. I do not know of any class of persons who, I would say, were less adapted for this purpose than the clerks and registrars of the various courts of Ontario. Then there is this other point to be considered. These clerks and registrars are appointed for specific purposes, and their time is supposed to be fully occupied in their present positions in the courts. The object of this amendment has been to secure as far as possible men best adapted to act as trustees, and the positions have been surrounded with every reasonable safeguard. They have to be licensed, and only men who are deemed proper for the purpose will obtain licences. Not until then will they be appointed.

Mr. CARDIN: We had that system a few years ago and it was abandoned.

Mr. CASGRAIN: We had it up to 1923.

Mr. CARDIN: Up to 1923, as the hon. member says, we had the system of licensed trustees and it was abandoned.

Mr. GUTHRIE: We have the system pretty well safeguarded in the amendment which is now before the committee, and if this amendment carries the result will be that we shall obtain as trustees in this important field men who will be far ahead of those whom we have had under any former system. They will be men better adapted to wind up estates. Personally I think we should try out the proposal reported by the committee. It may be that it will have to be changed at some time in the future, but I very much prefer this system, speaking for myself, to the proposal now made by my hon. friend from Richelieu, and I am basing that statement simply on my own experience of court officials whom I know. I do not think they would be well

adapted to act as trustees in these cases, nor do I think that they should be asked to do so for the reason that they have already certain duties to perform in the positions they now occupy. However, I am willing to give the matter further consideration. I understand from the hon. member for Stanstead that the committee viewed the proposal from every angle and there was practically no division on this question. Their endeavour was to secure the very best kind of trustee at the least possible expense, to safeguard the interests of both creditor and debtor, and to see that every dollar could be obtained for those who were entitled to receive money. After considering the question very carefully and hearing the evidence submitted both pro and con, I regard this clause as the considered opinion of the committee, and I should hesitate very much to depart from their report unless very good cause were shown.

Mr. DUPUIS: Is there any reason why bankruptcy proceedings should not be taken in the judicial district in which the debtor lives?

Mr. GUTHRIE: Giving my own opinion, I would say at the moment that I see no particular reason why they should not. But in the case that has been discussed this morning, so far as I heard the brief synopsis given by my hon. friend, the supreme court merely decided that each province constituted a bankruptcy district and that the superior court of the province had jurisdiction in bankruptcy and could entertain a petition in bankruptcy. I assume that this is correct, that the superior court could entertain a petition in bankruptcy. I do not know whether it has been called to the attention of my hon. friend or not, but we have a new subsection, subsection 8 of section 17 of the bill, intended to meet difficulties which may arise through inconvenience and so on. That provision reads:

(8) Notwithstanding the provisions of this act, when the debtor resides or carries on business at a distance far removed from the nearest licensed trustee, the court or the official receiver may, having regard as far as the court or official receiver deems just to the wishes of the creditors, appoint a responsible person residing in the locality of the debtor as custodian, and such person shall be eligible to be appointed by the creditors as trustee and shall, for the purposes of the administration of the estate of such debtor, have all the powers of a licensed trustee under this act and thereupon the provisions of this act shall apply to such person as if he had been duly licensed hereunder.

It was to meet inconvenience and difficulty that that clause was inserted. The court has

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